



Australian Government
Civil Aviation Safety Authority

COST RECOVERY IMPLEMENTATION STATEMENT

CIVIL AVIATION SAFETY AUTHORITY

2023-24

Charging for regulatory activity involves government entities charging individuals or organisations in the non-government sector some or all of the minimum efficient costs of a specific government activity. The Cost Recovery Policy along with the Australian Government Charging Framework (the Charging Framework) sets out the policy under which government entities design, implement and review charging for regulatory activities. The Cost Recovery Implementation Statement (CRIS) is the public document to ensure the transparency and accountability for the level of the charging and to demonstrate that the purpose for charging, as decided by Government, is being achieved.

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1. INTRODUCTION

1.1. Purpose

This Cost Recovery Implementation Statement (CRIS) provides information on how the Civil Aviation Safety Authority (CASA) implements cost recovery charging for all aviation regulatory services, including existing and proposed new regulatory charges. It reports actual financial and non-financial performance information for cost recovery activities and contains financial and demand forecasts for 2023-24 and three forward years. CASA will maintain the CRIS until the activity or cost recovery for the activity has been discontinued.

The activity that is to be cost recovered by CASA is the assessment of applications for the conduct of various regulated aviation activities. These activities will attract fees or levies.

- **cost recovery fees** – fees charged when a good, service or regulation is provided directly to a specific individual or organisation, or
- **cost recovery levies** – charges imposed when a good, service or regulation is provided to a group of individuals or organisations (for example, an industry sector) rather than to a specific individual or organisation. A cost recovery levy is a tax and is imposed via a separate taxation Act. It differs from general taxation as it is 'earmarked' to fund activities provided to the group that pays the levy.

CASA has historically collected partial cost recovery for aviation regulatory fees.

CASA is also charging a partial cost recovery levy for its Remotely Piloted Aircraft registration and accreditation scheme with a charge of \$40 per drone above 500 grams up to 150 kilograms used for commercial activity.

Consistent with the Cost Recovery Guidelines (CRGs), applicants are charged a regulatory fee or levy as they create the need for the service.

CASA's aviation regulatory services are provided to the regulated aviation community, which enables them to perform or provide aviation services to the public or engage in recreational activities. Organisations or individuals are charged for services which require approval by CASA to enable aviation activities with the necessary registrations, approvals, permissions, and licences. These regulatory activities are charged as a cost recovery fee as the services are provided directly to specific users or user groups.

The principal stakeholders for CASA's regulatory charging and activity outputs are:

- pilots
- owners of aircraft
- Air Operators Certificate holders
- licensed aircraft maintenance engineers
- air traffic controllers
- operators of certified and registered aerodromes
- maintenance organisations
- remotely piloted aircraft operators certificate holders or remote pilot licence.

2. POLICY AND STATUTORY AUTHORITY TO CHARGE (COST RECOVER)

2.1. Government policy approval to charge for this regulatory activity

CASA is a Corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013*. Under the authority of that Act, CASA is subject to the *Public Governance, Performance and Accountability (Charging for Regulatory Activities) Order 2017*, which specifies that the Australian Government policy relating to charging for regulatory activities is to apply to CASA. CASA has a policy authority to partial cost recover for the costs associated with regulatory service.

A cost recovery levy for the registration and accreditation scheme of Remotely Piloted Aircraft (RPA) was implemented by the *Civil Aviation (Unmanned Aircraft Levy) Act 2020*. The *Civil Aviation (Unmanned Aircraft Levy) Regulations 2021* is in place for partial cost recovery to support funding for the regulation and administration of the Remotely Piloted Aircraft Systems (RPAS).

2.2. Statutory authority to charge

Section 98(3)(u) of the *Civil Aviation Act 1988 (CA Act)* enables fees to be prescribed in regulations in relation to services, applications, or requests, or the doing of anything under the *CA Act*, the regulation or the Civil Aviation orders. The *Civil Aviation (Fees) Regulations 1995* sets out in detail the cost recovery fees that apply to relevant regulatory activities.

CASA performs aviation regulatory services, which are cost recovered activities under the:

- *Civil Aviation Act 1988*
- *Civil Aviation Regulations 1988 (CAR)*
- *Civil Aviation Safety Regulations 1988 (CASR)*
- *Civil Aviation Order (CAO)*
- *International Interests in Mobile Equipment (Cape Town Convention) Rules 2014*
- *Civil Aviation (Fees) Regulations 1995*.

The cost recovery levy is facilitated through:

- *Civil Aviation (Unmanned Aircraft Levy) Act 2020*
- *Civil Aviation Amendment (Unmanned Aircraft Levy Collection and Payment) Act 2020*
- *Civil Aviation (Unmanned Aircraft Levy) Regulations 2021*.

3. CHARGING (COST RECOVERY) MODEL

3.1. Outputs and business processes of the activity

Fee-based activities

Fee-based activities are driven largely by transactional business processes specifically performed for, or at the request of, or on the application of a particular individual or organisation. Fee-based regulatory charging activities support specific regulatory functions to which the fees relate. There is clear and distinct linkage of costs of the business processes to an individual or organisation.

Generic business processes for CASA's fee-based activities include:

- receipt, review and decision on an application, including ongoing consultation with the applicant
- undertaking technical assessment with a decision made by a delegate

- processing and consideration of issuing a certificate, license, exemption, determination, or approval.

In practice, administrative business procedures for the receipt, review and issue are broadly similar across fee-based charging activities. However, time and effort (and associated direct costs) for technical assessments and decisions vary between the types of outputs and on the complexity or nature of the application.

Levy-based activities

Levy-based charging activities relate to the provision of statutory regulatory services to a group of individuals or organisations, as opposed to transactional business processes. The partial levy charge for RPA is based on a registration and operator accreditation scheme and is set to encourage safer operations, understanding the rules of the air and where you can fly. This is also facilitated through education in a rapidly evolving sector of aviation.

The business interaction includes standard and policy development related to our regulatory functions, managing campaign surveillance for specific events, for example, Pacific Air Show on the Gold Coast, surveillance of remotely piloted organisations (ReOC holders), investigations and enforcement, development, and promulgation of educational and advisory material.

Activity Output	Primary activities	Regulatory Charging
Aerodromes and Air Traffic Services	Processing and consideration of an application for: <ul style="list-style-type: none"> • certification of an aerodrome and associated activities • approval as an air traffic service provider or training provider • instrument flight procedure validation, and Aerodrome Rescue and Fire Fighting Service (ARFFS). 	Yes
Aircraft Registration	Processing and consideration of an application for: <ul style="list-style-type: none"> • initial registration or transfer of registration of an aircraft • initial recording or changes to registered operator, and initial reservation of and changes to aircraft markings. 	Yes
Airworthiness	Processing and consideration of an application for: <ul style="list-style-type: none"> • airworthiness certification of an aircraft, component, and its maintenance system • design approvals • production certificates, and issue and variation of a Certificate of Approval. 	Yes
Aviation Medicine	Processing and consideration of an application for: <ul style="list-style-type: none"> • Class 1, 2, 3, 5 and Basic Class 2 Aviation Medical certificates for pilots and air traffic controllers. 	Yes
Dangerous Goods	Processing and consideration of an application for: <ul style="list-style-type: none"> • permission to carry dangerous goods. 	Yes
Flying Operations	Processing and consideration of an application for: <ul style="list-style-type: none"> • the appointment of a chief pilot • training and checking personnel (in-aircraft) • initial issue or variation to a certificate of aerial work operation • permission for a foreign aircraft to make an unscheduled flight into Australia • the approval of a person's appointment as a maintenance controller • approvals and evaluation of operation and use of synthetic flight training and simulation devices, and initial issue or variation to an Air Operator's Certificate (AOC). 	Yes
Personnel Licensing	Processing and consideration of an application for a licence for: <ul style="list-style-type: none"> • maintenance personnel • flight crew, and • air traffic controllers. 	Yes

Unmanned or Remotely Piloted Aerial Systems	Approvals, certificates, licences and permissions in connection with remotely piloted aircraft, rockets, fireworks, and balloons.	Yes
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3.2. Costs of the regulatory activity

CASA applies an activity-based costing methodology to determine costs for activity outputs and regulatory charging activities. This holistic methodology allocates all costs to an activity output based on time and effort of a proficient officer with a bottom-up costing exercise. Included are the associated cost drivers, volumes or time metrics based on cyclical activities as some certificates, authorisations or permissions are issued for multiple outyears.

CASA has reviewed and updated its cost base, building on the framework developed in 2018-19 that is transparent, defensible, and repeatable. The activity-based costing was independently reviewed in February 2021 to examine the impact of COVID-19 and to support CASA's funding arrangement for the 2021-22 budget and forecast outyears. The cost of activities presented in this CRIS have been based on the forecast outyears from the approved activity cost model for the 2023-24 financial year.

CASA operating costs are also being reviewed as part of the Australian Transport Safety and Investigation Bodies Financial Sustainability Review which was announced in the budget. This report is expected to be finalised prior to the 2024-25 budget process.

CASA continually analyses costs through benchmarking direct and indirect activities to determine efficiency. This will support the government review of CASA's operations and reduce administrative burden and costs to the aviation industry, without compromising safety.

Direct and indirect costs for each activity

- **Direct costs** - comprises the cost of the operational business, together with any support costs allocated directly to outputs that includes employee expenses, supplier expenses and consultancies and contracts.
- **Indirect costs** - comprises the organisational support costs, other than those directly allocated to outputs, are allocated to operational divisions including IT, corporate and maintenance costs, asset related costs, and property operating costs.
- **Capital costs** - is an upfront investment in a capital asset for the activity and looks to recover that investment over an appropriate period, which may be close to the useful life of the capital asset.

Financial Year 2023-24	Direct costs	Indirect costs	Capital costs
Regulatory Fees			
CASA Regulatory Fees	\$30,004,104	11,091,552	\$6,997,194
Regulatory Levy			
Remotely Piloted Aircraft (RPA) levy currently \$40 per RPA per year	\$7,327,646	10,205,996	\$3,530,338
Model Aircraft Levy on pause			
Total	\$37,331,749	21,297,548	\$10,527,533

Cost drivers

The key cost driver is staff effort required based on the prime activity and other cost elements for specific costs such as property, supplier and overhead costs.

Division	Key Cost Driver	Business Rules
Operational Areas (Direct Costs)		
Registration	Staff Effort	<ul style="list-style-type: none"> Employee expenses are allocated to their corresponding outputs and business processes based on direct hours recorded. Other expenses such as supplier, contractors, consultants, and depreciation are also allocated based on the same allocation proportion as employee expenses due to materiality. These outputs and business processes directly relate to the key activities of, RPA registration and operator accreditation scheme.
Surveillance	Staff Effort	<ul style="list-style-type: none"> Employee expenses are allocated to their corresponding outputs and business processes based on number of surveillance events for level 1 and level 2. There is campaign surveillance for aviation incidents/occurrences and public events for drones, for example, Pacific Air Show on the Gold Coast in August 2023.
Safety and Promotions	Staff Effort	<ul style="list-style-type: none"> Employee expenses are allocated to their corresponding outputs and business processes based on historical data. This includes projected peaks and troughs associated with regulatory reform and the General Aviation workplan.
Education	Staff Effort	Employee expenses are allocated to their corresponding outputs and business processes providing safety education seminars, programs and resources for industry and the public to encourage a greater acceptance by the aviation community of its obligation to maintain high standards of aviation safety.
Policy and Standard Development	Staff Effort	Utilising data to inform decisions, conducting environmental scanning of industry developments, developing policy, drafting regulations, writing guidance material for example Plain English Guides, developing standard scenarios for complex operations, developing implementation strategies, resolving standards enquiries, and conducting reviews.
Enforcement (not cost recovered)	Staff Effort	<ul style="list-style-type: none"> Employee expenses are allocated to their corresponding outputs and business processes based on the number of referrals recorded.
Platform and Application Support	Staff Effort	<ul style="list-style-type: none"> IT infrastructure costs refers to the service for CASAs application platform framework for example, myCASA online portal.
Enquiries Management	Staff Effort	Employee expenses are allocated to their corresponding outputs and business processes based on the estimated number of enquiries.
Client Services Centre	Staff Effort	Chargeable activities are attributed to aviation regulatory services based on estimates of regulatory service volumes and times for a proficient CASA officer.
Stakeholder Engagement	Staff Effort	<ul style="list-style-type: none"> The services attributed to industry engagement and consultation, including safety education and promotion, resources are part of the costs to the Aviation Sector including RPAS.

Support Areas (Indirect Costs)		
Legal, International and Regulatory Affairs	Staff Effort	<ul style="list-style-type: none"> • Generally allocated across operational business units based on Average Staffing Level (ASL). Chargeable costs include drafting costs (for example, the drafting of a legislative instrument). • CASA engages with the global aviation community and with aviation regulators in other countries through participation in its membership into the International Civil Aviation Organisation, attendance at international forums and through direct discussions and arrangements with overseas agencies.
Executive	Staff Effort	<ul style="list-style-type: none"> • Allocated to operational decisions based on ASL and then distributed across all services based on direct hours recorded by the operational area.
Corporate Services	Staff Effort	<ul style="list-style-type: none"> • Allocated to operational divisions based on ASL and then distributed across services based on direct hours recorded by the operational area. • Other centrally managed expenses such as supplier, property related expenses and depreciation are also allocated based on the same allocation proportion as employee expenses due to materiality.

Refer to 3.3.1 regulatory activity for volumes and outputs.

3.3. Design of the regulatory charge

3.3.1 Regulatory activity

The following tables consolidate CASA's regulatory activities according to the various parts of the *Civil Aviation (Fees) Regulations 1995* and other relevant legislation. CASA's regulatory fees are either determined by the use of one of four different hourly rates (\$100; \$130; \$160; and \$190) or through the use of fixed fees or fixed levy amounts. The estimated volume reflects estimates based on recent history and anticipated future activity. The estimated volume for hourly rate fees reflects the number of instances a particular service is expected to be required and does not reflect the hours to be charged for the individual services, which may vary depending on individual circumstances.

The difference between Estimated Total Cost and Estimated Total Revenue reflects that CASA only partially cost recovers its fees and levies, as approved by historical Government decision.

Regulatory Charge and activity output	Type	Hourly Rate/Fixed Fees	Estimated Volume	Estimated Total Cost	Estimated Total Revenue
Civil Aviation (Fees) Regulatory 1995					
Part 1 - Appointments and Delegations	Fees	Hourly Rate	395	\$ 779,648	\$ 64,168
Part 2 - Certificates of approval, aircraft maintenance engineer licenses, airworthiness authorities and aircraft welding authorities	Fees	Hourly Rate	4,147	\$ 3,112,441	\$ 708,296
Part 2 - Certificates of approval, aircraft maintenance engineer licenses, airworthiness authorities and aircraft welding authorities	Fees	Fixed	1,823	\$ 945,890	\$ 304,003
Part 3 - Maintenance	Fees	Hourly Rate	2,377	\$ 1,560,946	\$ 420,174
Part 4 - Flight manuals	Fees	Hourly Rate	27	\$ 6,908	\$ 4,270
Part 6 - Air operator certification	Fees	Hourly Rate	4,229	\$ 5,814,794	\$ 713,930
Part 8 - Aircraft operations generally	Fees	Hourly Rate	1,153	\$ 2,512,495	\$ 197,249
Part 9 - Aircraft certification and related matters	Fees	Hourly Rate	1,279	\$ 1,927,358	\$ 140,260
Part 9 - Aircraft certification and related matters	Fees	Fixed	13	\$ 211,675	\$ 65,739
Part 10 - Airworthiness Directives	Fees	Hourly Rate	279	\$ 2,059	\$ 47,668
Part 12 - Registration of aircraft and related matters	Fees	Fixed	3,365	\$ 694,997	\$ 341,008
Part 13 - Synthetic training devices	Fees	Hourly Rate	399	\$ 472,541	\$ 73,302
Part 14 - Air traffic services personnel licensing	Fees	Fixed	46	\$ 7,859	\$ 1,418
Part 15 - Medical	Fees	Fixed	28,625	\$ 8,580,040	\$ 2,063,498
Part 16 - Dangerous Goods	Fees	Hourly Rate	266	\$ 86,014	\$ 50,086
Part 17 - Unmanned aircraft and rockets	Fees	Hourly Rate	9,251	\$ 5,630,171	\$ 1,469,735
Part 18 - Aerodromes	Fees	Hourly Rate	321	\$ 275,832	\$ 60,449
Part 20 - Aeronautical telecommunication service and radionavigation service providers <i>(Revenue can be cyclic or over multiple years dependant on when a permission, authorisation or certificate expires)</i>	Fees	Hourly Rate	77	\$ 13,508	\$ 14,606
Part 21 - Air traffic service providers	Fees	Hourly Rate	6	\$ 59,596	\$ 1,086
Part 22 - Instrument flight procedure design	Fees	Hourly Rate	74	\$ 1,592,954	\$ 13,279
Part 23 - Exemptions	Fees	Hourly Rate	838	\$ 288,752	\$ 145,044
Part 24 - Other miscellaneous services	Fees	Hourly Rate	18,352	\$ 10,152,352	\$ 3,103,129
Part 24 - Other miscellaneous services	Fees	Fixed	40,358	\$ 3,300,175	\$ 2,497,602
International Interests in Mobile Equipment (Cape Town Convention) Rules 2014					
Cape Town Convention 2001	Fees	Fixed	223	\$ 63,844	\$ 12,051
			TOTAL	\$ 117,923	\$ 48,092,850
				\$ 48,092,850	\$ 12,512,051

* Volumes and Unit Costs are based on hourly and not per application where applicable, note hourly rate could be \$100, \$130, \$160 or \$190 per hour

* Note that Flight Crew licensing, for example, CASA issued Private Balloon Pilot permits or Aircraft Radio operators are under Part 24 - miscellaneous services for Part 61/64/141/142 amendments

Civil Aviation (Unmanned Aircraft Levy) Act 2020					
Remotely Piloted Aircraft (RPA) levy currently \$40 per RPA per year	Levy	Fixed	722,633	\$ 21,063,980	\$ 905,320
Model Aircraft Levy on pause					
			TOTAL	\$ 21,063,980	\$ 905,320

*The Government has paused the introduction of a levy on model aircraft (Recreational drones) registration and accreditation scheme, however future year costing includes costs for both Model Aircraft and RPA levy schemes

3.3.2 New Regulatory activity

Civil Aviation (Fees) Regulations 1995	Type	Unit cost	*Charge Rate	Estimated volume	Estimated total cost	Estimated total revenue
Fee Item 24.12 - Provision of a service (how described under or for a MOS) for which a person applies and for which no other fee is payable under the schedule is the fee for Chief RePL Instructor	Fee	\$ 623	\$ 620	20	\$ 12,463	\$ 12,400
TOTAL					\$ 12,463	\$ 12,400

* Fee charged is full cost recovery as RPAS do not contribute to fuel excise

3.3.3 Fee Waivers

Regulation 6 of the *Civil Aviation (Fees) Regulations 1995* provides CASA with the ability to waive a fee, or part of a fee, payable under the regulations if CASA determines special circumstances exist and are consistent with CASA's objectives. CASA's current practice is to not charge for the transition from the *Civil Aviation Regulations (CAR)* when there is a corresponding function in the new *Civil Aviation Safety Regulation (CASR)* on the basis that the operating permissions, authorisations, or certificate approvals are already held and in operation by industry participants. Any change in regulatory activity from an existing permission, authorisation, or certificate, for example, adding a new aircraft type to increase capability, or a new aviation participant applying, is required to be charged a regulatory fee.

Regulatory Charge and activity output	Type	Hourly Rate/Fixed Fees	Estimated Volume	Estimate Total Cost	Estimated Total Revenue forgone
Civil Aviation Regulatory (Fees) 1995					
Fee Waiver based on transitional arrangements FY2022-23					
Flight Operational Regulations - deferred provisions for the new Civil Aviation Safety Regulations (CASR Parts 91, 119, 121, 133, 135 and 138)	Fees	Hourly Rate	403	\$ 1,463,433	\$1,387,680
CASA assessment and approval of 'significant changes' for CASR Part 145 Approved Maintenance Organisations in relation to EX52/23 which is to be repealed 30 April 2026	Fees	Hourly Rate	93	\$ 300,390	\$ 176,700
Conduct Examiner Proficiency Checks (EPC's) under the provisions of CASR Part 61 with 61.040 approvals	Fees	Hourly Rate	80	\$ 54,400	\$ 32,000
TOTAL				\$ 1,818,223	\$1,596,380

New Regulatory Charge and activity output	Type	Hourly Rate/Fixed Fees	Estimated Volume	Estimated Total Cost	Estimated Total Revenue foregone
Civil Aviation (Fees) Regulations 1995					
Fee Waiver - Chief RePL Instructor					
Fee Item 24.12 - Provision of a service (how described under or for a MOS) for which a person applies and for which no other fee is payable under the schedule is the fee for Chief RePL Instructor	Fees	Fixed	45	28,035	\$ 27,900

It is anticipated that there will be 45 ReOC training organisations that could nominate one person to the new Chief Remote Pilot Instructor position.

4. RISK ASSESSMENT

A charging risk assessment (CRA) is required for any regulatory charging policy proposal. It helps to identify and analyse regulatory charging risks. The Minister for Finance must agree to a CRIS publication if the CRA indicates it is high risk. The most recent risk assessment rating for the new charging activities is MEDIUM.

The implementation categories considered low to medium risk are as follows:

- the change in legislative requirements for imposition of the cost recovery charge (medium)
- consulted and no significant issues raised (low)
- well-developed information to determine the charge amount (low)
- the expected annual revenue for the charging arrangement (low).

CASA has considered a number of risks associated with cost recovering regulatory activities and how we will manage these risks, presented in the table below.

Risk	Management
Aviation cost recovery affecting industry competitiveness.	CASA will continue to monitor our performance in the delivery of regulatory activities.
The fee and charge structure does not support future regulatory reforms.	Active management of costs, and rebasing charges as required to fully meet agreed cost recovery levels.
Changes to government policy, innovation, and activities.	Regular assessments of the arrangement will inform whether a regulatory charging review is required.
Any change in unforeseen events may impact revenue assumptions.	CASA will manage costs and rebase charges annually to reflect changes in activity and effort and describe any consequential changes in the cost and price.

5. STAKEHOLDER ENGAGEMENT

CASA has a clear and transparent approach to engaging with stakeholders, including in relation to regulatory charging. In adherence to CASA's *Statement of Expectations*, we provide information and invite feedback via a range of channels. This includes:

- developing and implementing communication and engagement strategies to raise awareness and explain how stakeholders can provide feedback
- engaging with the Aviation Safety Advisory Panel (ASAP) who provide objective, high-level advice to CASA on current, emerging, and potential aviation safety issues
- Technical Working Groups (TWG) support the ASAP and provide advice on specific issues
- Using CASA's online Consultation Hub (consultation.casa.gov.au) to provide information, capture public feedback, publish responses (where the respondent gives permission) and report back
- Notifying stakeholders via a range of channels including targeted emails to specific interest groups in the CASA database, wide-reaching e-newsletters (e.g. Know Your Drone, CASA

Briefing, Regulatory wrap-up), social media, and a range of industry forums including Aviation Safety Seminars.

There have been several consultation activities related to regulatory charging. These include:

- Beyond Visual Line of Sight Exam (BVLOS) in March 2023
- CASR Part 101 – Chief Remote Pilot Instructor (CRI) in December 2023 and January 2024.

CASR Part 101 – Chief Remote Pilot Instructor (CRI)

The industry was consulted on the proposed fee with formal consultation opening on 6 December 2023 and closing on 18 January 2024. CASA received 14 responses. Nine respondents consented to having their feedback published, while the remaining requested their submissions remain confidential. The responses represented a broad cross section of the remotely piloted community including RePL training organisations (4), Remotely Piloted Aircraft Operator's Certificate (ReOC) holders (3), RePL pilots/instructors (5) and Commercial Pilot Licence and RPA accreditation holders (2). Five respondents stated that they were representing their organisation, while nine were personal views on the proposed fee.

The Australian Government's overarching cost recovery policy is that, where appropriate, non-government recipients of specific government activities should be charged some or all the costs of those activities.

The proposed fees were developed in accordance with the Government Cost Recovery Policy and guidelines. The cost estimates were mapped with a subject matter expert and are the direct cost for a proficient officer to assess a Chief RePL Instructor. Included in this costing is an indirect overhead for system usage and corporate costs. To allow for better industry certainty, it was deemed appropriate to charge a fixed fee.

For existing RePL training organisations that wish to nominate a CRI from the proposed commencement date of the proposed introduction of the CRI position, CASA will be waiving fees for a twelve-month period from the commencement date.

6. FINANCIAL PERFORMANCE

6.1 Financial Estimates

CASA continue to consult with key stakeholders internally and externally on financial performance to assist in evaluation of our regulatory cost recovery charging arrangements. The *Civil Aviation Act 1988 (CA Act)*, sub section 9A (3) requires CASA to consider the economic and cost impact on individuals, businesses and the community in the development and finalisation of new or amended regulatory changes.

Financial Item	Budget	Forward Years		
	2023-24 (\$'000)	2024-25 (\$'000)	2025-26 (\$'000)	2026-27 (\$'000)
Total expenses	212,792	227,333	227,688	235,238
Total revenue	212,792	170,226	171,279	172,075
Balance = revenue - expenses	-	(57,107)	(56,409)	(63,163)
Cumulative balance	-	(57,107)	(113,516)	(176,679)
Explain material variance	CASA is budgeting for a break even result in 2023-24 and operating deficits across the forward estimates of \$57.1 million in 2024-25 increasing to \$63.1 million in 2026-27. During the current financial year, CASA has seen an uplift in excise collection and anticipates future forecast updates provided from Government will reflect the improved position. The current Government has paused the introduction of a Model Aircraft (recreational drones registration and accreditation scheme), which was due to commence 1 July 2023. The cost of the scheme is reflected in the CASA budget and forward estimates and is pending a final decision from the Government.			
Explain balance management strategy	CASA's future funding will be determined by Government in due course.			

6.2 Financial Outcomes

Financial Item	2019-20 (\$'000)	2020-21 (\$'000)	2021-22 (\$'000)	2022-23 (\$'000)
Estimates				
Expenses	205,870	205,164	212,200	210,497
Revenue	202,438	205,176	229,032	192,376
Balance	(3,432)	12	16,832	(18,121)
Cumulative balance	(3,432)	(3,420)	13,412	(4,709)
Actuals				
Expenses	200,705	193,047	201,648	215,071
Revenue	188,306	209,253	218,758	232,097
Balance	(12,399)	16,206	17,110	17,026
Cumulative balance	(12,399)	3,807	20,917	37,943

7. NON-FINANCIAL PERFORMANCE

CASA's key non-financial performance measures are documented in the Annual Report 2022-23 and Corporate Plan 2023-24 with the below goals outlined:

Performance Criteria	Status
Number of accidents per hours flown by industry sector	Achieved
Number of incidents per hours flown by industry sector	Data not available
CASA maintains the Effective Implementation (EI) Score determined by International Civil Aviation Organization (ICAO) Universal Safety Oversight Audit Program (USOAP)	Achieved
Regulatory implementation delivered in accordance with planned and reviewed targets	Achieved
Surveillance determined via a National Oversight Plan consisting of scheduled and response events informed by risk	Achieved
Clear, open and transparent engagement with the industry to support the continuous improvement of an efficient and effective aviation safety regulatory framework	Achieved
Regulatory service applications are decided within published service delivery timeframes	Not achieved

Corporate Plan

Objective 1 Maintain and enhance a fair, effective and efficient aviation safety regulation system

Key activities	Strategies and plans 2023–24 to 2026–27 (Link to PBS, SOE)	Performance measures	Targets
Ensure CASA's regulatory framework is fit-for-purpose.	<p>1.1 Ensure the Australian civil aviation safety regulatory scheme has optimal outcomes that ensure the current and future aviation environment is acceptably safe for all participants (PBS, SOE)</p> <p>1.2 Improve risk based, systems-based and evidence-driven regulatory management (SOE)</p>	CASA demonstrates excellence in development of the aviation safety regulatory framework.	<ul style="list-style-type: none"> CASA adheres to Government and CASA regulatory policies and aligns with International Civil Aviation Organization (ICAO) standards and recommended practices where appropriate.
Enhance international compliance	<p>1.3 Collaborate with overseas regulators to share information and support international recognition of Australian designs and certification for better safety outcomes (SOE)</p> <p>1.4 Support regulators in the Asia-Pacific to safely manage growth in relation to current and future aviation operations in the region (SOE)</p>	CASA's actions in the international sphere are in accordance with its legal responsibilities and international agreements.	<ul style="list-style-type: none"> CASA uses appropriate global resources and arrangements to support its audit and certification processes. CASA contributes to the development of the International Civil Aviation Organization (ICAO) standards and practices and actively participates in Australia's engagement in the Asia-Pacific on aviation safety matters.
Deliver effective regulatory services, in accordance with	1.5 Implement modern regulatory strategies, policies and practices (PBS, SOE)	All regulatory service decisions are made in accordance with published service delivery timeframes.	<ul style="list-style-type: none"> CASA ensures all regulatory service decisions are made in accordance with published service delivery timeframes.

CASA's regulatory philosophy	1.6 Continue to develop and implement effective and efficient regulatory, operational and administrative activities (SOE).	Establish and publish regulatory service delivery timeframes for all regulatory services.	<ul style="list-style-type: none"> CASA establishes and publishes regulatory service delivery timeframes for all regulatory services.
		Establish that operators and authorized persons conduct and continue to conduct their operations in accordance with relevant regulations, approvals and permissions.	<ul style="list-style-type: none"> CASA delivers the elements of the revised National Oversight Plan during oversight activities.
		Enforcement actions undertaken are fair, consistent, and transparent and in accordance with CASA's enforcement procedures that reflect relevant principles of CASA's regulatory philosophy.	<ul style="list-style-type: none"> CASA's decisions reviewed by the Administrative Appeals Tribunal and in the Federal Court are affirmed or not substantially varied in any material respect. The briefs CASA submits to the Commonwealth Director of Public Prosecutions (CDPP) are accepted by the CDPP.
		Deliver services through digital means, increasing the use of self-service channels over manual or paper submissions.	<ul style="list-style-type: none"> Digital submission volumes <ul style="list-style-type: none"> » 2023–24 ≥81% » 2024–25 ≥82% » 2025–26 ≥83% » 2026–27 ≥84%

Objective 2 Engage collaboratively with the wider aviation community to promote and support a positive safety culture

Key activities	Strategies and plans 2023–24 to 2026–27 (Link to PBS, SOE)	Performance measures	Targets
Engaging with stakeholders	<p>2.1 Maintain and enhance stakeholder relationships (PBS, SOE)</p> <p>2.2 Contribute to confidence in CASA as a fair, reasonable and effective aviation safety regulator (PBS, SOE)</p>	CASA maintains productive working relationships with key stakeholders.	<ul style="list-style-type: none"> CASA's stakeholder satisfaction and client sentiment demonstrates an increasing trend.
Promoting safety and education	<p>2.3 Provide comprehensive safety promotion programs to aviation stakeholders (SOE)</p>	CASA supports industry awareness and understanding through relevant, timely, effective education and safety programs.	<ul style="list-style-type: none"> CASA's education and safety promotion activities are measured and evaluated through a range of feedback mechanisms.

Objective 3 Continuously improve organisational performance

Key activities	Strategies and plans 2023–24 to 2026–27 (Link to PBS, SOE)	Performance measures	Targets
A skilled workforce	<p>3.1 Develop CASA's capability and capacity (SOE)</p>	CASA undertakes workforce planning to ensure that appropriate investment is made in effective people management initiatives	<ul style="list-style-type: none"> CASA ensures its workforce is managed in accordance with workforce priorities

8. KEY FORWARD DATES AND EVENTS

CASA undertakes regular review of our financial performance and conduct regular stakeholder engagement activities throughout the CRIS cycle.

Next Scheduled Event	Date
Updated fees and charges implemented for CASR Part 101 MOS	2024
Mid-Year Economic and Fiscal Outlook (MYEFO)	May 2024
Transport Portfolio long term funding review outcomes	March 2024
Portfolio charging review to be undertaken	2026
Portfolio charging review outcomes to be brought forward in Budget 2027-28	2028

9. CRIS APPROVAL AND CHANGE REGISTER

Date of change	CRIS change	Approver	Basis for change
June 2021	Certification of the CRIS	Board, CASA	New regulatory charging activity
June 2021	Approval for the CRIS release	Minister for Infrastructure, Transport and Regional Development and Local Government	Medium risk rating for the regulatory charging activities requiring portfolio Minister approval only
March 2023	Certification of Addendum CRIS	Board, CASA	New regulatory charging activity
June 2023	Approval for the Addendum CRIS release	Minister for Infrastructure, Transport, Regional Development and Local Government	Medium risk rating for the regulatory charging activities requiring portfolio Minister approval only